UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF GEORGIA ATLANTA DIVISION

IN RE:		CHAPTER 11 – Subchapter V
HMG, LLC,		CASE NO. 24-59336-pmb
	DEBTOR.	
MARY IDA TOWNSON, UNITED STATES TRUSTE	E,	
	MOVANT,	
V.		CONTESTED MATTER
HMG, LLC,		
	RESPONDENT.	

NOTICE OF HEARING ON UNITED STATES TRUSTEE'S MOTION TO DISMISS CASE

PLEASE TAKE NOTICE that the United States Trustee has filed a motion requesting that the above-referenced case be dismissed.

PLEASE TAKE FURTHER NOTICE that the Court will hold a hearing on the Motion at 1:20 p.m. on Monday, September 30, 2024, in Courtroom 1202, Richard B. Russell Federal Building and U.S. Courthouse, 75 Ted Turner Drive, SW, Atlanta, Georgia 30303, which may be attended in person or via the Court's Virtual Hearing Room. You may join the Virtual Hearing Room through the "Dial-in and Virtual Bankruptcy Hearing Information" link at the top of the homepage of the Court's website, www.ganb.uscourts.gov, or the link on the judge's webpage, which can also be found on the Court's website. Please also review the "Hearing Information" tab on the judge's webpage for further information about the hearing. You should be prepared to appear at the hearing via video, but you may leave your camera in the off position until the Court

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instructs otherwise. Unrepresented persons who do not have video capability may use the telephone dial-in information on the judge's webpage.

Your rights may be affected by the Court's ruling on this motion. You should read this motion carefully and discuss it with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult one.) If you do not want the court to grant the relief sought in this motion or if you want the court to consider your views, then you and/or your attorney must attend the hearing. You may also file a written response to the motion with the Clerk at the address stated below, but you are not required to do so. If you file a written response, you must attach a certificate stating when, how and on whom (including addresses) you served the response. Mail or deliver your response so that it is received by the Clerk at least two business days before the hearing. The address of the Clerk's Office is: Clerk, U.S. Bankruptcy Court, 75 Ted Turner Drive SW, Suite 1340, Atlanta, GA 30303. You must also mail a copy of your response to the undersigned at the address stated below.

Dated: September 5, 2024

MARY IDA TOWNSON UNITED STATES TRUSTEE REGION 21

By: /s/Adriano Omar Iqbal
Adriano O. Iqbal
Georgia Bar No. 217122
United States Department of Justice
Office of the United States Trustee
362 Richard Russell Building
75 Ted Turner Drive, SW
Atlanta, Georgia 30303
(404) 331-4488
adriano.o.iqbal@usdoj.gov

UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF GEORGIA ATLANTA DIVISION

IN RE:		CHAPTER 11 – Subchapter V
HMG, LLC,		CASE NO. 24-59336-pmb
DE	EBTOR.	
MARY IDA TOWNSON, UNITED STATES TRUSTEE, MO	OVANT,	
V.		CONTESTED MATTER
HMG, LLC,		
RE	ESPONDENT.	

UNITED STATES TRUSTEE'S MOTION TO DISMISS CASE

Mary Ida Townson, United States Trustee for Region 21, in furtherance of the administrative responsibilities imposed by 28 U.S.C. § 586(a), respectfully moves this Court to enter an order dismissing the above-captioned Chapter 11 case for cause pursuant to 11 U.S.C. § 1112(b). In support thereof, the United States Trustee represents as follows:

- 1. This case was commenced September 4, 2024, when a voluntary petition for relief under chapter 11 of the Bankruptcy Code (the "<u>Petition</u>") was filed on behalf of HMG, LLC ("<u>Debtor</u>").
- 2. On its Petition, Debtor indicated it is a small business debtor as defined in 11 U.S.C. § 101(51D), and that it is eligible to proceed, and elects to proceed, under subchapter V of chapter 11.
 - 3. The Petition was signed by Mychal H. Walker, Sr., as President of the Debtor.
- 4. It appears on the face of the Petition that Debtor is an artificial entity and that it is not represented by an attorney.

- 5. Because Debtor is an artificial entity, it cannot represent itself in this proceeding, nor may its officers appear before this court on its behalf unless they are licensed attorneys. *See Palazzo v. Gulf Oil Corp.*, 764 F.2d 1381, 1385 (11th Cir. 1985); *National Indep. Theatre Exhibitors, Inc. v. Buena Vista Distrib. Co.*, 748 F.2d 602, 609 (11th Cir. 1984).
- 6. Bankruptcy Code section 1112 provides a non-exhaustive list of grounds for dismissal of a chapter 11 case. Debtor's inability to prosecute this case is cause for dismissal under 11 U.S.C. § 1112(b). *See, e.g., In re 167 W. 133rd St. Hous. Dev. Fund Corp.*, No. 18-12043, 2018 Bankr. LEXIS 2909, at *12 n.9 (Bankr. S.D.N.Y. Sep. 25, 2018) ("The failure of a corporate debtor . . . to retain counsel, is grounds under § 1112(b)(2) to dismiss or convert its case.").

WHEREFORE, the United States Trustee respectfully moves this Court to enter an order dismissing this case and granting such other relief as the Court deems just and proper.

MARY IDA TOWNSON UNITED STATES TRUSTEE REGION 21

By: /s/Adriano Omar Iqbal
Adriano O. Iqbal
Georgia Bar No. 217122
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(404) 331-4488
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¹ The term "including" is not a limiting term. 11 U.S.C. § 102.

CERTIFICATE OF SERVICE

This is to certify that I have on this day, September 5, 2024, electronically filed the foregoing *United States Trustee's Motion to Dismiss Case* and *Notice of Hearing* using the Bankruptcy Court's Electronic Case Filing program, which sends a notice of this document and an accompanying link to this document to the parties who have appeared in this case under the Bankruptcy Court's Electronic Case Filing program.

Gary M. Murphey murphey@rfslimited.com, GA73@ECFCBIS.COM

I further certify that on this day, I caused a copy of this document to be served via United States First Class Mail, with adequate postage prepaid on the following parties at the address shown for each.

Dogwood State Bank c/o Agent for Receiving Service of Process 5401 Six Forks Rd Raleigh, NC 27609

Vedder Price c/o Michael D. Leifman Counsel for Dogwood State Bank 222 North LaSalle Street Chicago, IL 60601

AKF Inc., d/b/a FundKite c/o Agent for Receiving Service of Process 88 Pine St. Suite 2430 New York, NY 10005

Cross River Bank c/o Agent for Receiving Service of Process 885 Teaneck Rd Teaneck, NJ 07666 TitleWave Processing c/o Agent for Receiving Service of Process 5540 Centerview Drive Suite 403 Raleigh, NC 27606

HMG, LLC 3740 McClure Bridge Rd. No. 204 Duluth, GA 30096

HMG, LLC 3455 Peachtree Industrial Blvd Suite 305 Duluth, GA 30096

HMG, LLC c/o Agent for Receiving Service of Process 11175 Cicero Drive Suite 100 Alpharetta, GA 30022

/s/Adriano Omar Iqbal

Adriano O. Iqbal Georgia Bar No. 217122 United States Department of Justice Office of the United States Trustee 362 Richard Russell Building 75 Ted Turner Drive, SW Atlanta, Georgia 30303 (404) 331-4488 adriano.o.iqbal@usdoj.gov